

RESOLUTION NO. 31/2015-2016

RESOLUTION OF THE BOARD OF TRUSTEES OF THE
TURLOCK UNIFIED SCHOOL DISTRICT
ORDERING A SCHOOL BOND ELECTION,
ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER,
AND REQUESTING CONSOLIDATION WITH OTHER ELECTIONS

WHEREAS, the Board of Trustees (the "Board") of the Turlock Unified School District (the "District") is authorized to order elections within the District and to designate the specifications thereof, pursuant to Education Code Sections 5304 and 5322;

WHEREAS, the Board is further authorized to order elections, pursuant to Education Code Sections 15264 *et seq.*, for the purpose of submitting to the electors the question of whether District bonds ("Bonds") shall be issued and sold for specified purposes;

WHEREAS, the Board deems it necessary and advisable to submit a bond measure to the electors that, if approved by the requisite number of electors voting on the measure, would permit the District to issue the Bonds; and

WHEREAS, it is desirable that the election to determine whether the Bonds shall be issued and sold be consolidated with such other election or elections as may be held on the same day in the same territory or in territory that is in part the same.

NOW, THEREFORE, the Board does hereby resolve, determine, and order as follows:

1. **Election Order; Ballot Measure.** Pursuant to Education Code Sections 5304, 5322 and 15264 *et seq.* and Article XVI, Section 18(b) of the California Constitution, an election shall be held within the boundaries of the District on November 8, 2016, submitting to the voters of the District the question of whether Bonds of the District, in the amount of \$48,000,000 shall be issued and sold for the purposes of improving the quality of education in local schools and protecting the safety of the students of the District. Specifically, Bond proceeds shall be utilized for the purposes authorized by the Constitution and laws of the State of California, all as identified in the full text of the ballot measure, set forth in **Exhibit A** attached hereto and incorporated herein by reference, under the heading "School Facilities Projects to Be Funded with Proceeds of Bonds" (the "Bond Projects"). The Bonds proposed to be issued and sold shall bear interest at a rate not exceeding the statutory limit, and may be issued and sold up to the maximum number of years consistent with the underlying statutory authority for the issuance and sale of the Bonds.

2. **Use of Bond Proceeds; Certification of Evaluations; Audit Requirements.**

a. **Use of Bond Proceeds.** Proceeds from the sale of the Bonds may be used only for the purposes specified in Article XIII A, Section 1(b)(3) of the California Constitution.

b. **Certification of Evaluations.** The Board hereby certifies that it evaluated safety, class size reduction, and information technology needs in developing the list of the Bond Projects.

c. Completion of Facilities. Certain Bond Projects may require state matching funds. State matching funds may be subject to appropriation by the Legislature or approval of a statewide bond measure.

d. Performance Audit. The Board shall conduct an annual, independent performance audit to ensure that the Bond funds have been expended only on the specific Bond Projects listed.

e. Financial Audit. The Board shall conduct an annual, independent financial audit of the proceeds from the sale of the Bonds until all of the proceeds have been expended for the Bond Projects.

3. Accountability Requirements. The District hereby finds or directs that:

a. Purpose. The purpose of the Bonds is to fund the Bond Projects, as listed in Exhibit A; and

b. Proceeds. The bond proceeds shall only be used on the Bond Projects.

4. Vote Required. Pursuant to Section 18(b) of Article XVI and Section 1 of Article XIII A of the California Constitution, the bond measure shall become effective only upon the affirmative vote of fifty-five percent (55%) of those voters voting on the measure.

5. County Registrar of Voters to Conduct Election. Pursuant to Education Code Section 5303, the Stanislaus and Merced County Registrars of Voters are hereby requested to take all steps to prepare for and hold the election within the boundaries of the District in accordance with law and these specifications.

6. Consolidation with Other Elections. Pursuant to Sections 5342, 15121, and 15266 of the Education Code and part 3 (commencing with Section 10400) of Division 10 of the Elections Code, the Stanislaus County Board of Supervisors and the Merced County Board of Supervisors are requested to order consolidation by the County Registrars of Voters of the school bond election with the other elections to be held on the same day in the same territory or in territory that is in part the same. Pursuant to Section 10403 of the Elections Code, the Board hereby acknowledges that the consolidated election will be held and conducted in the manner prescribed by Section 10418 of the Elections Code.

7. Form of Election. The Board hereby authorizes the election to be conducted by (a) use of polling places and vote by mail voting or (b) wholly by mail, as determined appropriate by the Stanislaus County and Merced County Registrars of Voters, in consultation with the District.

8. Canvass of Returns. The Stanislaus County Board of Supervisors and Merced County Board of Supervisors are authorized to canvass the returns of the election pursuant to Section 10411 of the Elections Code.

9. Services of Registrar of Voters. Pursuant to Section 5303 of the Education Code and Section 10002 of the Elections Code, the Stanislaus County Board of Supervisors and

Merced County Board of Supervisors are requested to permit the respective County Registrars of Voters to render all services incident to the preparation for and holding of the election, for which services the District agrees to reimburse the County with such services to include the publication of a notice of school bond election, and the mailing of the sample ballot and tax rate statement (described in Section 9401 of the Elections Code) pursuant to the terms of Section 5363 of the Education Code and the Elections Code.

10. **Brief Statement of the Bond Measure.** A brief statement of the bond measure is included in **Exhibit A** under the heading "Brief Statement of the Measure." The District hereby requests the Stanislaus County and Merced County Registrars of Voters to publish the brief statement of the bond measure, as appropriate, and to designate the measure on the ballot by a letter printed on the left margin of the square containing the brief statement of the measure as provided in Section 13116 of the Elections Code.

11. **Full Text of the Measure.** The District hereby requests the Stanislaus County and Merced County Registrars of Voters to publish the full text of the measure which is set forth in its entirety at **Exhibit A** (including the "Brief Statement of the Measure"), attached hereto and incorporated herein by reference, in the ballot materials as appropriate.

12. **Specifications of the Election Order.** The foregoing specifications of the election order are made pursuant to Section 5322 of the Education Code.

13. **Delivery of Specifications of the Election Order.** The District's Superintendent is hereby directed to deliver not later than June 24, 2016, a certified copy of this Resolution and the tax rate statement to the Stanislaus County and Merced County Registrars of Voters and a copy of this Resolution to the Stanislaus County and Merced County Boards of Supervisors.

14. **General Authorization with Respect to the Bond Election.** The members of the District's Board, the Superintendent and the other officers of the District are hereby authorized and directed, individually and collectively, without further review and action by the Board, to do any and all things, to execute, deliver, and perform any and all agreements and documents they deem necessary or advisable in order to effectuate the purposes of this Resolution, including, without limitation, to prepare and submit for inclusion in the voter information pamphlet a tax rate statement and an argument in favor of passage of the ballot measure. All actions heretofore taken by the officers and agents of the District that are in conformity with the purposes and intent of this Resolution are hereby ratified, confirmed, and approved in all respects.

15. **Encumbrance of Bond Funds.** For the purpose of making bond funds unavailable as rent within the meaning of Education Code Section 17032, the Board hereby encumbers all funds to be generated by the sale of the Bonds in order to pay for the acquisition and construction of the Bond Projects authorized by the ballot measure.

16. **Citizens' Oversight Committee.** It is the intent of the Board that a citizens' oversight committee be appointed to ensure that the proceeds of the Bonds are spent only for the specific purposes and projects identified in this Resolution. The membership requirements and

procedures for such committee shall be established by the Board in accordance with the requirements of law.

17. **Official Intent to Reimburse Expenditures.** The District intends to undertake the acquisition, construction, renovation, furnishing, and equipping of the Bond Projects as described in **Exhibit A**. The District intends to use the proceeds of its general obligation bonds described in this Resolution to finance the Bond Projects. The District may pay certain capital expenditures (the "Reimbursement Expenditures") in connection with the Bond Projects prior to the issuance of the Bonds. The District reasonably expects that Bonds in an amount not to exceed \$48,000,000 will be issued by it for the purpose of financing the Bond Projects on a long-term basis and that certain of the proceeds of such debt obligations may be used to reimburse the District for the Reimbursement Expenditures.

The Board hereby declares the District's official intent to use a portion of the proceeds of the Bonds to reimburse the District for the Reimbursement Expenditures. The foregoing statement is a declaration of official intent that is made under and only for the purpose of establishing compliance with the requirements of Treasury Regulations Section 1.150-2.

18. **Tax Rate Statement.** The Board hereby approves the form of the tax rate statement attached hereto as **Exhibit B** and incorporated herein by reference. The District hereby requests the County Registrar of Voters to publish the tax rate statement contained in **Exhibit B**.

19. **Effective Date.** This Resolution shall take effect immediately upon its adoption.

[Remainder of this page intentionally left blank.]

This Resolution of the Board of Trustees of the Turlock Unified School District Ordering a School Bond Election, Establishing Specifications of the Election Order, and Requesting Consolidation with Other Elections is approved, passed, and adopted on June 21, 2016, by the Turlock Unified School District Board of Trustees by the following vote:

| | |
|---------|-------|
| AYES | _____ |
| NOES | _____ |
| ABSENT | _____ |
| ABSTAIN | _____ |

**BOARD OF TRUSTEES OF THE
TURLOCK UNIFIED SCHOOL DISTRICT**

FRANK LIMA, President
Board of Trustees
Turlock Unified School District

ATTEST:

DANA SALLES TREVETHAN
Superintendent

EXHIBIT A

FULL TEXT OF THE MEASURE

Upon the passage of Measure _____, the Turlock Unified School District (the "District") shall be authorized to issue bonds in the aggregate amount of \$48,000,000 (the "Bonds"), bearing interest at rates not exceeding the statutory limit, for the purpose of funding the school facilities projects listed below under the heading "School Facilities Projects to Be Funded with Proceeds of Bonds" (the "Bond Projects").

Proposition 39 Bond Accountability Measures

At its June 21, 2016 meeting, the Board of Trustees (the "Board") certified that it evaluated safety, class size reduction, and information technology needs in developing the list of the Bond Projects set forth below. The proceeds of the Bonds shall be used only for the Bond Projects identified in the list below, and not for any other purpose (i.e., teacher and administrative salaries and other school operating expenses).

The proceeds of the Bonds will be accounted for separately. The Board is bound to conduct financial and performance audits annually to account for the Bond funds and to assure that funds have only been expended on the specific projects authorized.

The Board will appoint a citizens' oversight committee (the "Citizens' Oversight Committee") having a minimum of seven members and including at least one member active in a business organization representing the business community located within the District, one member active in a senior citizens' organization, one member active in a bona fide taxpayers' organization, one member who is the parent or guardian of a child enrolled in the District, and one member who is both a parent or guardian of a child enrolled in the District and active in a parent-teacher organization.

School Facilities Projects to Be Funded with Proceeds of Bonds

- Safety and Security Improvements that may include, but are not are not limited to:
 - Renovate supporting access to control entrance points, to include fencing.
 - Acquire and implement universal emergency signal and communication systems.
 - Add or remove classrooms and support facilities to reduce over-crowding.
 - Acquire and develop property to reduce overcrowding, improve stakeholder access, and expand high-demand programs such a Science, Technology, Engineering, and Mathematics (STEM), Career & Technical Education (CTE), and Visual/Performing Arts (VPA).
 - Remove hazardous materials, including asbestos, lead-based paint, and other hazardous materials.
 - Upgrade exterior lighting for safety and security as needed.
 - Upgrade or replace heating and ventilation systems as needed to support secured classroom doors during instructional time.

- Science, Technology, Engineering and Mathematics (STEM) facilities, improvements and access:
 - Construct a new Turlock High School Science wing
 - Construct and/or renovate STEM classrooms that support science and technology laboratories, including necessary furniture and equipment.
 - Develop advanced 21st Century technology classrooms.
 - Renovate facilities to provide new technologies to include wiring of classrooms, library, and student support facilities with internet access and computer networks.
 - Expand Career and Technical Education (CTE) and pathways to include STEM, fabrication, health science, business, and agriculture, food, and natural resources.

- Modernizations and Renovations:
 - Construct improvements to accommodate the disabled to include ramps, pathways, restrooms, and access as required by the State of California to meet requirements of the Americans with Disability Act (“ADA”).
 - Complete improvements and upgrades to meet current health and safety codes, including classrooms, cafeterias, kitchens, and restrooms.
 - Repair and/or replace aging portable classrooms, including use of modular classrooms, in addition to acquiring necessary equipment and furniture.
 - Upgrade electrical systems, including panels, circuit breakers, transformers, wiring, and outlets.
 - Complete all code requirements including installation of new fire hydrants as needed.
 - Repair and renovate school grounds, fields, and playground equipment for safety, including purchase of new equipment if needed.

- Other:
 - Complete site work to support new construction, installation, or removal of relocatable classrooms, including acquisition and utilization of temporary facilities as needed to house displaced students and staff during construction, as well as address any unforeseeable conditions such as dry rot, seismic, etc.
 - Acquire any of the facilities on the Bond Project List through temporary lease or lease-purchase arrangements, or execute purchase option under a lease for any of these authorized facilities.

The cost of all the Bond Projects set forth in the list above may exceed the amount of bonds authorized by Measure _____. Approval of the District’s Measure _____ does not guarantee that the proposed school facilities projects in the District that are the subject of bonds under

Measure ____ will be funded beyond the local revenues generated by Measure _____. The District's proposal for the school facilities projects may assume receipt of matching state funds, which could be subject to appropriation by the Legislature or approval of a statewide bond measure. The allocation of bond proceeds may also be affected by the final costs of each project.

The final cost of each project will be determined as plans are finalized, construction bids are awarded and projects are completed. Based on the final costs of each project, certain of the projects described above may be delayed or may not be completed.

Brief Statement of the Measure

The ballot measure shall read as follows:

MEASURE ____: "To upgrade and repair high schools with local funding that cannot be taken by the State, shall Turlock Unified School District provide science, technology/engineering labs; provide new classrooms/instructional technology, including necessary infrastructure, for core academics; modernize facilities to meet health/safety codes; improve campus safety/security; repair, construct, acquire, equip, classrooms, sites, facilities; by issuing \$48,000,000 of bonds at legal rates, with independent citizen oversight, no money for administrators, and all funds used for Turlock Schools?"

BONDS-YES

BONDS-NO

EXHIBIT B

TAX RATE STATEMENT

An election will be held in the Turlock Unified School District (the "District") on November 8, 2016, to authorize the sale of up to \$48,000,000 in bonds to upgrade and repair high schools with local funding that cannot be taken by the State, provide science, technology and engineering labs, provide new classrooms and instructional technology for core academics, modernize classrooms to meet current health and safety codes, improve campus safety and security, and repair, construct, acquire, equip, classrooms, sites, and facilities, with independent citizen oversight, no money for administrators, and all funds used for Turlock Schools.

If the bonds are authorized and sold, debt service thereon will be payable from the proceeds of tax levies made upon the taxable property in the District. The following information is provided in compliance with Sections 9400-9405 of the Elections Code of the State of California. It is anticipated that the District will sell the bonds in multiple series.

1. The best estimate of the tax rate which would be required to be levied to fund this bond issue during the first fiscal year after the sale of the first series of bonds, based on estimated assessed valuations available at the time of filing of this statement, is 2.90¢ per \$100 (\$29.00 per \$100,000) of assessed valuation in fiscal year 2017 – 2018.

2. The best estimate of the tax rate which would be required to be levied to fund this bond issue during the first fiscal year after the sale of the last series of bonds, based on estimated assessed valuations available at the time of filing of this statement, is 2.90¢ per \$100 (\$29.00 per \$100,000) of assessed valuation in fiscal year 2021 – 2022.

3. The best estimate of the highest tax rate which would be required to be levied to fund this bond issue, based on estimated assessed valuations available at the time of filing of this statement, is 2.90¢ per \$100 (\$29.00 per \$100,000) of assessed valuation in fiscal year 2017 – 2018, 2021 – 2022 and 2041 – 2042.

4. The best estimate of the average tax rate which would be required to be levied to fund this bond issue during the life of the bonds, based on estimated assessed valuations available at the time of filing of this statement, is 2.90¢ per \$100 (\$29.00 per \$100,000) of assessed valuation

5. The best estimate of total debt service, including principal and interest, which would be required to be repaid if all the bonds are issued and sold is \$98,725,047. This estimate is based on assumptions regarding future interest rates and the term, timing, structure, and amount of each bond issue.

Voters should note that the estimated tax rates are based on the ASSESSED VALUE of taxable property on Stanislaus and Merced County's official tax rolls, not on the property's market value. Property owners should consult their own property tax bills to determine their property's assessed value and any applicable tax exemptions.

Attention of all voters is directed to the fact that the foregoing information is based upon the District's projections and estimates only, which are not binding upon the District. The actual tax rates, debt service, and the years in which they will apply may vary from those presently estimated, due to variations from these estimates in the timing of bond sales, the amount of bonds sold and market interest rates at the time of each sale, and actual assessed valuations over the term of repayment of the bonds.

The dates of sale and the amount of bonds sold at any given time will be determined by the District based on the need for construction funds and other factors, including the legal limitations on bonds approved by a 55% vote. The actual interest rates at which the bonds will be sold will depend on the bond market at the time of each sale. Actual future assessed valuation will depend upon the amount and value of taxable property within the District as determined by the Stanislaus County and Merced County Assessors in the annual assessment and the equalization process.

Dated: June 21, 2016

Superintendent
Turlock Unified School District

CERTIFICATION

I, _____, Secretary of the Board of Trustees of the Turlock Unified School District, Stanislaus and Merced Counties, California, do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly approved and adopted by the Board of Trustees of the District at a meeting held on June 21, 2016, of which meeting all the members of the Board of Trustees had due notice and at which a majority thereof were present, and that at the meeting the resolution was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

An agenda for the meeting was provided in advance of the meeting, as required by law, to all members of the Board of Trustees and to all media outlets that have requested notification. Further the agenda was posted in advance of the meeting, as required by law, at the District at _____, Turlock, CA _____, a location freely accessible to members of the public, and a brief description of the resolution appeared on the agenda.

I have carefully compared the foregoing resolution with the original minutes of the meeting on file and of record in my office, and the foregoing is a full, true, and correct copy of the original resolution adopted at the meeting and entered in the minutes.

Dated: _____, 2016

Secretary of the Board of Trustees
Turlock Unified School District